



DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-857]

Certain Softwood Lumber Products from Canada: Initiation of Antidumping Duty Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: In response to a request from GreenFirst Forest Products Inc. (GFFP) and GreenFirst Forest Products (QC) Inc. (GFFP (QC)) (collectively, GreenFirst), the Department of Commerce (Commerce) is initiating a changed circumstances review (CCR) of the antidumping duty (AD) order on certain softwood lumber products from Canada. This review will determine whether GFFP (QC) is the successor-in-interest to Rayonier A.M. Canada G.P. (RYAM).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Zachary Shaykin, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2638.

SUPPLEMENTARY INFORMATION:

Background

On August 9, 2022, Commerce published in the *Federal Register* the final results of the third administrative review of the AD Order¹ on certain softwood lumber products from Canada.² As a result of this administrative review, Commerce assigned a cash deposit rate of

¹ See *Certain Softwood Lumber Products from Canada: Antidumping Duty Order and Partial Amended Final Determination*, 83 FR 350 (January 3, 2018) (*Order*).

² See *Certain Softwood Lumber Products from Canada: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2020*, 87 FR 48465 (August 9, 2022) (*Lumber V AR3*).

4.76 percent to RYAM based on the non-selected respondent rate (*i.e.*, the weighted-average of the mandatory respondents' weighted-average dumping margins).³

The CCR Request explains that on August 28, 2021, GFFP (QC) acquired six lumber mills and one newsprint mill from RYAM. The CCR Request further explains that RYAM previously held an ownership stake in GreenFirst but that, in May 2022, RYAM sold all of its shares in GreenFirst, and as a result RYAM no longer has ties to the lumber industry. Thus, GreenFirst requests that Commerce initiate an expedited CCR to determine that GFFP (QC) is the successor-in-interest to RYAM and, thus, that the AD margin in effect for RYAM under the *Order* should be applied to entries from GFFP (QC).⁴

In its October 18, 2022, submission the Committee Overseeing Action for Lumber International Trade Investigations or Negotiations (COALITION, the petitioner) argues that Commerce should reject GreenFirst's request to conduct an expedited CCR of GFFP (QC) pursuant to 19 CFR 351.216(e).⁵ The petitioner contends that GFFP (QC) is not the successor-in-interest to RYAM because the lumber assets RYAM sold to GFFP (QC) experienced significant changes to their ownership and management prior to their sale to GFFP (QC).⁶ Further, the petitioner argues that the CCR Request improperly treated the names of certain GFFP (QC) officials as business proprietary information and for this reason the CCR Request should be rejected by Commerce.

On October 20, 2022, Commerce held an *ex-parte* meeting with certain government officials from the Government of Canada (GOC) in which Canadian government officials expressed their support for GreenFirst's CCR Request⁷ and, on October 24, 2022, the GOC submitted a letter to Commerce expressing its support for GreenFirst's CCR Request.⁸

³ See *Order*, 83 FR at 351.

⁴ See GreenFirst's letter, "Softwood Lumber from Canada: GreenFirst Forest Products Request for Changed Circumstances Review," dated September 29, 2022 (CCR Request), at 3 and 4.

⁵ See Petitioner's letter, "Certain Softwood Lumber Products from Canada: Comments on GreenFirst's Request for Changed Circumstances Review," dated October 18, 2022 (Petitioner Comments), at 3.

⁶ See Petitioner Comments at 9 and 10.

⁷ See Memorandum, "Ex Parte Meeting with the Government of Canada," dated October 21, 2022.

⁸ See GOC's Letter submitted on October 24, 2022 (ACCESS Barcode: 4303828-01).

Scope of the *Order*

The merchandise covered by the *Order* is softwood lumber, siding, flooring and certain other coniferous wood (softwood lumber products). The scope includes:

- Coniferous wood, sawn, or chipped lengthwise, sliced or peeled, whether or not planed, whether or not sanded, or whether or not finger-jointed, of an actual thickness exceeding six millimeters.
- Coniferous wood siding, flooring, and other coniferous wood (other than moldings and dowel rods), including strips and friezes for parquet flooring, that is continuously shaped (including, but not limited to, tongued, grooved, rebated, chamfered, V-jointed, beaded, molded, rounded) along any of its edges, ends, or faces, whether or not planed, whether or not sanded, or whether or not end-jointed.
- Coniferous drilled and notched lumber and angle cut lumber.
- Coniferous lumber stacked on edge and fastened together with nails, whether or not with plywood sheathing.
- Components or parts of semi-finished or unassembled finished products made from subject merchandise that would otherwise meet the definition of the scope above.

Finished products are not covered by the scope of this *Order*. For the purposes of this scope, finished products contain, or are comprised of, subject merchandise and have undergone sufficient processing such that they can no longer be considered intermediate products, and such products can be readily differentiated from merchandise subject to this *Order* at the time of importation. Such differentiation may, for example, be shown through marks of special adaptation as a particular product. The following products are illustrative of the type of merchandise that is considered “finished” for the purpose of this scope: I-joists; assembled pallets; cutting boards; assembled picture frames; garage doors.

The following items are excluded from the scope of this *Order*:

- Softwood lumber products certified by the Atlantic Lumber Board as being first produced in the Provinces of Newfoundland and Labrador, Nova Scotia, or Prince Edward Island from logs harvested in Newfoundland and Labrador, Nova Scotia, or Prince Edward Island.
- U.S.-origin lumber shipped to Canada for processing and imported into the United States if the processing occurring in Canada is limited to one or more of the following: (1) Kiln drying; (2) planing to create smooth-to-size board; or (3) sanding.
- Box-spring frame kits if they contain the following wooden pieces--two side rails, two end (or top) rails and varying numbers of slats. The side rails and the end rails must be radius-cut at both ends. The kits must be individually packaged and must contain the exact number of wooden components needed to make a particular box-spring frame, with no further processing required. None of the components exceeds 1'' in actual thickness or 83'' in length.
- Radius-cut box-spring-frame components, not exceeding 1'' in actual thickness or 83'' in length, ready for assembly without further processing. The radius cuts must be present on both ends of the boards and must be substantially cut so as to completely round one corner.

Softwood lumber product imports are generally entered under Chapter 44 of the Harmonized Tariff Schedule of the United States (HTSUS). This chapter of the HTSUS covers "Wood and articles of wood." Softwood lumber products that are subject to this *Order* are currently classifiable under the following ten-digit HTSUS subheadings in Chapter 44:

4406.91.0000; 4407.10.01.01; 4407.10.01.02; 4407.10.01.15; 4407.10.01.16; 4407.10.01.17; 4407.10.01.18; 4407.10.01.19; 4407.10.01.20; 4407.10.01.42; 4407.10.01.43; 4407.10.01.44; 4407.10.01.45; 4407.10.01.46; 4407.10.01.47; 4407.10.01.48; 4407.10.01.49; 4407.10.01.52; 4407.10.01.53; 4407.10.01.54; 4407.10.01.55; 4407.10.01.56; 4407.10.01.57; 4407.10.01.58; 4407.10.01.59; 4407.10.01.64; 4407.10.01.65; 4407.10.01.66; 4407.10.01.67; 4407.10.01.68;

4407.10.01.69; 4407.10.01.74; 4407.10.01.75; 4407.10.01.76; 4407.10.01.77; 4407.10.01.82;
4407.10.01.83; 4407.10.01.92; 4407.10.01.93; 4407.11.00.01; 4407.11.00.02; 4407.11.00.42;
4407.11.00.43; 4407.11.00.44; 4407.11.00.45; 4407.11.00.46; 4407.11.00.47; 4407.11.00.48;
4407.11.00.49; 4407.11.00.52; 4407.11.00.53; 4407.12.00.01; 4407.12.00.02; 4407.12.00.17;
4407.12.00.18; 4407.12.00.19; 4407.12.00.20; 4407.12.00.58; 4407.12.00.59; 4407.13.0000;
4407.14.0000; 4407.19.0001; 4407.19.0002; 4407.19.0054; 4407.19.0055; 4407.19.0056;
4407.19.0057; 4407.19.0064; 4407.19.0065; 4407.19.0066; 4407.19.0067; 4407.19.0068;
4407.19.0069; 4407.19.0074; 4407.19.0075; 4407.19.0076; 4407.19.0077; 4407.19.0082;
4407.19.0083; 4407.19.0092; 4407.19.0093; 4409.10.05.00; 4409.10.10.20; 4409.10.10.40;
4409.10.10.60; 4409.10.10.80; 4409.10.20.00; 4409.10.90.20; 4409.10.90.40; 4418.30.0100;
4418.50.0010; 4418.50.0030; 4418.50.0050; and 4418.99.10.00.

Subject merchandise as described above might be identified on entry documentation as stringers, square cut box-spring-frame components, fence pickets, truss components, pallet components, flooring, and door and window frame parts. Items so identified might be entered under the following ten-digit HTSUS subheadings in Chapter 44: 4415.20.40.00; 4415.20.80.00; 4418.99.9105; 4418.99.9120; 4418.99.9140; 4418.99.9195; 4421.99.70.40; and 4421.99.9880.

Although these HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.

Initiation of CCR

Pursuant to section 751(b)(1)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.216(d), Commerce will conduct a CCR upon receipt of a request from an interested party for a review of an AD order which shows changed circumstances sufficient to warrant a review of the order. In the past, Commerce has used CCRs to address the applicability of cash deposit rates after there have been changes in the name or structure of a respondent, such as a

merger or spinoff (successor-in interest or successorship determinations).⁹ The information submitted by GreenFirst supporting its claim that GFFP (QC) is the successor-in-interest to RYAM demonstrates changed circumstances sufficient to warrant such a review.¹⁰ Therefore, in accordance with section 751(b)(1)(A) of the Act and 19 CFR 351.216(d) and (e), we are initiating this CCR based on the information contained in the GreenFirst's CCR Request.¹¹

Commerce will issue a questionnaire requesting additional information for the review, and will publish in the *Federal Register* a notice of the preliminary results, in accordance with 19 CFR 351.221(b)(2) and (4), and 19 CFR 351.221(c)(3)(i). The notice will set forth the factual and legal conclusions upon which our preliminary results are based and a description of any action proposed based on those results. Pursuant to 19 CFR 351.221(b)(4)(ii), interested parties will have an opportunity to comment on the preliminary results. In accordance with 19 CFR 351.216(e), Commerce intends to issue the final results no later than 270 days after the date on which the review is initiated. Note that Commerce has modified certain of its requirements for serving documents containing business proprietary information until July 17, 2020, unless extended.¹²

Notification to Interested Parties

This notice is published in accordance with sections 751(b)(1) and 777(i)(1) of the Act, and 19 CFR 351.216(b), 351.221(b), and 351.221(c)(3).

Dated: November 14, 2022.

James Maeder,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

⁹ See, e.g., *Diamond Sawblades and Parts Thereof from the People's Republic of China: Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review*, 82 FR 51605 and 51606 (November 7, 2017), unchanged in *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Changed Circumstances Review*, 82 FR 60177 (December 19, 2017).

¹⁰ See 19 CFR 351.216(d).

¹¹ See CCR Request.

¹² See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020).

